

## SECTION 3 - EMPLOYMENT AND MINORITY BUSINESS PLAN (Monthly Report)

**Reporting Month:** From: \_\_\_\_\_ to \_\_\_\_\_

As specified in Sections 4.2, 4.3 and 4.5 of the HUD bid specifications, all contractors and subcontractors (whose contract amount exceeds a threshold of \$100,000) are required to submit a complete Plan detailing employment, as well as economic opportunities for small business enterprises, and to minority, women-owned, Section 3 residents and business concerns (S/M/W/ Section 3 business enterprises). This Plan is **due within five (5) working/business days after being notified as the apparent low bidder**. Failure to submit this Plan will render your bid as non-responsive.

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low or very low income residents in connection with projects and activities in their neighborhoods.

### I. Contract Information

Project Name:	
Project Number:	
Wage Decision Number:	
Contract Amount:	\$

### II. Contractor/Subcontractor Information

Name of Contractor/Subcontractor:	
Address:	
Contact Person/ Tel No.:	
Contractor/Subcontractor's Federal Tax ID No.:	
Contractor/Subcontractor's DUNS No.:	
Names of three (3) Corporate Officers, if applicable:	
1.	
2.	
3.	
Total Number of Employees:	
New Employees (hired during the Reporting Month):	

**Date Monthly Report Submitted:** \_\_\_\_\_

CSD Office Use Only

Date Monthly Report Received: \_\_\_\_\_

### III. Employment Projections

Table 1 below captures data on the contractors/subcontractor's *good faith effort* (numeric goal) to employ minorities, women, Section 3 and project area residents. Include additional rows and/or pages as needed.

Table 1. Employment Projections for Minorities, Women, Section 3 Residents , and Project Area Residents					
Project Numeric Goals					
Job Category	Total Needed to be Hired	Minorities	Women	Section 3 Residents	Project Area Residents
Para-professionals/ Technicians					
Professionals					
Office/Clerical					
Construction by Trade:					
1. Laborers					
2. Mechanics (specify trade)					
3. Apprentices/ Trainees (specify trade)					
4. Add rows as needed					

**NOTE:** Section 3 Resident Certifications must be attached to this Plan, or forwarded to this office as soon as they become available during the contract time for this project. All forms and certificates must be in their original form; copies will not be accepted.

### IV. Subcontracting Projections

Table 2 below captures data on the contractors/subcontractor's *good faith efforts* (numeric goal) in providing contracting opportunities to S/M/W/Section 3 businesses and project area firms.

Table 2. Subcontracting Projections for Minority, Women-Owned, Section 3 Business and Project Area Businesses						
Project Numeric Goals						
Construction By Trade Category	Total Subcontractors Needed to be Hired	Business Category (please check all that apply)				
		Small Business (SBE)	Minority- owned Business (MBE)	Women- owned Business (WBE)	Section 3 Business (Section3 BE)	Project Area Business
1. Electrical						
2. Plumbing						
3. Concrete						
4. Carpentry						
5. HVAC						
6. Other (specify)						
7. Add rows and/or pages, if needed						

**NOTE:** Section 3 Business Certifications must be attached to this Plan, or forwarded to this office as soon as they become available during the contract time for this project. All certificate forms must be in their original form; copies will not be accepted.

## V. List of Subcontractors

List all proposed subcontractors in the format prescribed in Table 3 below. Add rows or pages as needed.

Table 3. Subcontractor Information							
Business Legal Name	Trade Category	Name of Contact	Address	Tel & Fax No.	FED Tax ID	Business Category <sup>1</sup>	Estimated Contract Amount
1.	Electrical						\$
2.	Plumbing						\$
3.	Concrete						\$
4.	Carpentry						\$
5.	HVAC						\$
6.	Other (Specify)						\$
7. Add rows, if needed	Other (Specify)						\$
8.							\$
9.							\$
10.							\$
11.							\$
12.							\$
13.							\$
14.							\$
15.							\$

<sup>1</sup> Indicate if subcontractor is a SBE, MBE, WBE, Section 3 BE, Project Area BE, or all or a combination.

**NOTE:** Section 3 Business Certifications must be attached to this Plan, or forwarded to this office as soon as they become available during the contract time for this project. All forms and certificates must be in their original form; copies will not be accepted.

## VI. Outreach Efforts

Contractors/Subcontractors are required to conduct outreach to minority, women, Section 3 residents, Section 3 business concerns, and project area residents and businesses informing them of employment and contracting opportunities for this contract. Evidence of *good faith effort* solicitations includes a combination of the following outreach methods. Adequate back-up documentation must be attached to this Plan for each method used.

### Mark all that apply:

- ☐ Newspaper Advertisements
- ☐ Minority Media
- ☐ Trade Association Publications
- ☐ Postings of job openings at local community centers, public libraries, city hall.
- ☐ Other Government Publications
- ☐ Internet & Web Postings
- ☐ Direct Contact by Phone, Fax, Mail outs
- ☐ Meetings & Conferences

## VIII. Good Faith Effort Certification

I understand that it is my responsibility to comply with all federal, state and local regulations and guidance in the identification, inclusion and utilization of S/M/W/Section 3 business enterprises and M/W/Section 3 individuals in procurement efforts. I certify that I will make a *good faith effort* to afford opportunities for S/M/W/Section 3 business enterprises and to M/W/ Section 3 individuals by:

1. Including qualified S/M/W/Section 3 business enterprises and qualified M/W/Section 3 individuals.
2. Soliciting potential S/M/W/Section 3 business enterprises and potential M/W/Section 3 individuals.
3. Reducing subcontract size/ quantities, when economically feasible, to permit maximum participation by S/M/W/Section 3 business enterprises.
4. Establishing delivery schedules to encourage participation by S/M/W/Section 3 business enterprises.
5. Using the services and assistance of the Small Business Administration, Minority Business Development Agency, U.S. Department of Commerce, Texas Marketplace, and other relevant entities.

***I do declare and affirm that the contents of the foregoing are true and correct, and will furnish subsequent documentation, which will attest to its accuracy.***

\_\_\_\_\_  
President/Owner Name (Please Print)

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

## Instructions to Complete the Employment and Minority Business Plan

### Employment Projections

Indicate the number of employees per job category, which will have to be hired for this contract, including numeric goals for hiring within project area residents, minority, female employees, and Section 3 residents. The minimum numerical goals are 30% of new full-time hires annually (i.e. 1 out of 3 new hires). Job categories are defined as follows:

*Para-professional/ Professionals/ Managers/ Clerical* – includes occupations requiring college background knowledge, policy and decision-making skills, and clerical work, respectively; examples include draftsman, architects, engineers, accountants, managers, administrative assistants, clerical and office support.

*Laborer* – includes occupations (hourly workers) engaging in manual work requiring no special training; examples include, but are not limited to gardeners, laborers, cleaners.

*Mechanic* – includes occupations requiring a high level skill, including occupations requiring combination of basic scientific knowledge and manual skills; examples include, but are not limited to carpenters, electricians, plumbers, cement masons, iron workers, etc.

*Apprentice/Trainee* – includes persons engaging in a training program to learn a trade or craft.

### Subcontracting Projections

Indicate the total number of subcontractors by work/ trade category (i.e., plumbing electrical, concrete, etc.), which will be needed to complete this contract. The minimum numerical goals are:

- 10% of total amount of all Section 3 covered contracts for building trades work and;
- 3% of the total dollar amount to all other contracts, such as professional service contracts.

See below for definitions of small, minority-owned, women-owned businesses, Section 3 business interest, and Section 3 resident.

- *Small business*: CSD uses the definition used by the Small Business Administration (SBA). Therefore, the Small Business Act states that a small business concern is “one that is independently owned and operated and which is not dominant in its field or operation.” The law also states that in determining what constitutes a small business, the definition will vary from industry to industry to reflect industry differences accurately. SBA’s Small Business Size Regulations implement the Small Business Act’s mandate to SBA. SBA has also established a table of size standards, matched to North American Industry Classification System (NAICS) industries. For additional information please visit the <http://www.sba.gov/>.
- *Minority or women owned business*: For the purposes of these requirements, a minority business enterprise represents a firm owned and controlled by one or more minorities or women (51% or more), and meet the following criteria:

1. Minority groups members who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans and any other minorities or individuals found to be disadvantaged by the Small Business Administration (SBA);
  2. Must be an independent business;
  3. Ownership and control by minorities or women shall be real, substantial, and continuing and shall go beyond proforma ownership of the term as reflected in its ownership documents; and
  4. Must be a small business as defined by SBA.
- *Section 3 business interests:* A Section 3 business interest is a business that meets the following criteria:
    - The business is 51% or more owned by Section 3 residents; or
    - Whose permanent, full-time workforce includes persons, at least 30% of whom are currently qualified Section 3 residents, or within three (3) years of the date of first employment with the business were Section 3 residents; or
    - Commits to subcontractor in excess of 25% of its total subcontracting to Section 3 companies.
  - *Section 3 resident:* A Section 3 resident is a person that meets the income eligibility guidelines for low and very low income as published by the U.S Government. See Table 4 below for the Median Family Income Limits.

### **Outreach Efforts**

Appropriate back up documentation, including but not limited to copies of printed advertisements (newspapers, trade publications, and etc.), copies of job postings, copies of faxes and mail outs, and copies of internet postings must be attached to this Plan. Any subsequent documentation must be forwarded to this office as soon as they become available during the course of this project.

### **Additional Resources**

The following list, which may not be all inclusive, is intended to assist contractor/subcontractor's to **identify**, **include**, and **utilize** minority, women-owned and Section 3 business enterprises in implementing the subject contract.

**The City of Houston – Minority, Women-owned, and Disadvantage Business Enterprise Directory** – [http://houston.mwdbbe.com/FrontEnd/VendorSearchPublic.asp?TN=Houston\\_Diversity](http://houston.mwdbbe.com/FrontEnd/VendorSearchPublic.asp?TN=Houston_Diversity)

**Small Business Administration's Dynamic Small Business Search** – <http://dsbs.sba.gov/>  
SBA-DSBA is an Internet-based system that allows contractors/subcontractors to search for small, minority and women-owned businesses in their area.

**Small Business Administration's (SBA) Sub-Net** – <http://web.sba.gov/subnet>  
Sub-Net is an Internet-based system that allows contractors/subcontractors to post their procurement opportunities online. Access to the database is free to government agencies and Contractors/Subcontractors, and is an excellent source for soliciting, small, minority, women business enterprises.

**Women Contractor Association** – <http://www.womencontractors.org/>  
Located in Houston, this organization provides contractors/subcontractors with resources to identify, include and utilize women-owned businesses.

**Minority Business Development Agency (MBDA) of the U.S. Department of Commerce –**  
[http://www.mbda.gov/?section\\_id=2](http://www.mbda.gov/?section_id=2)

**National Association of Minority Contractor's (NAMC) - Houston Chapter –** <http://www.namc-houston.org/>

**Houston Minority Business Council –** <http://www.hmbc.org/>

**Houston Hispanic Chamber of Commerce –**  
[http://www.houstonhispanicchamber.com/hhcc/Default\\_EN.asp](http://www.houstonhispanicchamber.com/hhcc/Default_EN.asp)

**Houston Citizen's Chamber of Commerce –** <http://www.hccoc.org/>

<b>Table 4.</b> 2015 Median Family Income (MFI) Limits (as of 3-6-2015) Income Levels & Household Size								
<b>INCOME LEVELS</b>	<b>HOUSEHOLD SIZE</b>							
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Extremely Low Income</b> (Limits based on 0-30% of area median income)	14,600	16,650	20,090	24,250	28,410	32,570	36,730	40,890
<b>Very Low Income</b> (Limits based on 31-50% of area median income)	24,300	27,750	31,200	34,650	37,450	40,200	43,000	45,750
<b>Low Income</b> (Limits based on 51-80% of area median income)	38,850	44,400	49,950	55,450	59,900	64,350	68,800	73,200
Source: U.S. Department of Housing and Urban Development, March 6, 2015.								